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# Spotlight

## ON FOREIGN MARKETING

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Cap. 2



TO FAS MARKET DEVELOPMENT COOPERATORS AND THE AGRICULTURAL ATTACHES

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NATIONAL AGRICULTURAL LIBRARY

Volume VIII No. 1

MAY 7 1965

February 1965

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### HONORED GUESTS ATTENDING FAS-COOPERATOR CONFERENCE

Secretary Freeman and a number of congressional representatives will be among the honored guests at a FAS-Cooperator Conference at the Dodge House, 20 E Street, N. W., Washington, D. C., February 25.

Theme of the 9:00 a.m.-12:30 p.m. conference session will be "Setting Promotion Goals for Measurable Results." The speakers and panel leaders will include Martin J. Framberger, General Manager, American Dairy Association; Louis N. Brockway, retired Executive Vice President, Young and Rubicom; Donald M. Hobart, marketing consultant, formerly Director of Research, Curtis Publishing Co., and Ex-President, American Marketing Association; and Frank K. White, management consultant and Director of the Advertising Council.

The program at the 1:00 p.m. luncheon session will feature an address by the Secretary of Agriculture and the introduction of congressional representatives and other distinguished guests.

Copies of the preliminary agenda are being sent to the cooperators.

### ADMINISTRATIVE WORKSHOPS OFF TO AUSPICIOUS START

The first in a series of overseas market development workshops got off to an auspicious start as evidenced by Francis Harrell's cable from London. "Administrative workshop successful with excellent attendance and full participation of all present."

The other workshops are being held at The Hague, January 28-29; Brussels, February 1-2; Frankfurt, February 4-5, Rome, February 8-9; Beirut, February 11-12; and Tokyo, February 16-18.

### WHEAT MISSION INTRODUCES NEW WHEAT FOODS TO SPAIN

Three U. S. wheat products are being introduced in Spain as the result of a 1961 Spanish Wheat Mission sponsored by Great Plains Wheat, Inc.

The 3-man team visited U. S. production and marketing facilities and conferred with industry and government officials. A member of the team noted the popularity of raised doughnuts in the U. S. and envisioned a possible market for the product in his home country.

As a result of his interest, U. S. raised doughnuts were introduced in Spain. Doughnut production facilities have been set up in five major Spanish cities. About 75,000 doughnuts are being turned out daily, and plans are underway to establish plants in several additional locations.

Two more wheat foods—bread sticks and a product similar to melba toast—are being introduced to Spanish consumers. Idea for the products came from the same U. S. visit by the 1961 Spanish Wheat Mission. A new plant is now under construction. When completed next summer, it will be the largest bread stick factory in Europe. And it may also be used to produce the melba toast product as well.

#### ADMINISTRATION & SUPERVISION NOW BEING EMPHASIZED

The overseas Workshops at London, The Hague, Brussels, and Frankfurt were opened with remarks by Ken McDaniel, Deputy Assistant Administrator for Management. Excerpts from Mr. McDaniel's talk follow:

"If Ray Ioanes, our FAS Administrator, were here today, I know he would tell you, as I want to tell you, that better administration by both government officials and cooperator personnel is the key to maintaining the cooperative market development program as a vital force in building agricultural exports to ever and ever greater heights. This means adequate supervision....

"Based on our experiences as the program developed, it seems to me that three points should be emphasized:

First, we are spending public funds, and we will be held accountable for our fiscal stewardship, be we employees of the Federal Government or employees of a cooperator organization. This means more attention to administration and supervision; using good judgment, based on reasonableness and appropriateness; better communications—talking over problems before the fact; and more attention to regulations...

Second, we must be sure we can adequately manage the programs we undertake. Proposed program expansion may be delayed in some cases—in other cases there will be reductions—until we feel sure that every project in operation can be administered effectively.

Third, we must do a more effective job of program planning and evaluation. There must be more specific goals and more definite plans for achieving them. And we must find ways to evaluate the results in a meaningful manner...

"You may feel that we are placing very heavy emphasis on supervision—on good program management—and we are. But we think this is justified...

"The Administrator of FAS is personally engaged in a series of meetings with boards of directors and staff supervisors of each of the major cooperators. There will be more inspections and more program audits. Additional workshops such as the one in which we are now participating are planned. We will seek methods to strengthen supervision...





"The annual marketing plan is now a standard requirement... To my mind, a good marketing plan is the key to the accomplishment of many things for which we have been striving. I feel that many of our misunderstandings—our differences—resulted from vague project statements and work plans—so broad and indefinite that they allowed for honest but widely varying differences of interpretation.

"A maturing program inevitably means more regulations... we generally welcome regulations which give us standards, guidance, and limitations which are clearly stated and easily understood. To achieve this as our regulations expand will be our challenge.

"We are now involved in a program of conversion for all our cooperators abroad to what we have referred to as "compliance with local laws and customs." This conversion program has been completed in many countries, and we hope will soon be completed in all. This means that cooperator organizations will be recognized in each country as nongovernment, nonprofit, entities, and that the employees of those organizations will be covered under local laws, administered in line with local customs.

"We will continue to strive for improved communications between FAS and cooperators. A joint FAS/Cooperator Coordinating Committee has been established and meets periodically in Washington. For example, this Committee was consulted in the development of these Workshops. We plan more frequent meetings of FAS and cooperator personnel. Efforts are being made to adapt our publication "Spotlight" more to the needs of cooperators.

We welcome your suggestions on any other steps we may take to obtain better understanding.

"Evaluation of market development program continues to be a major challenge. We have emphasized internal evaluations—by cooperators, Attaches, and FAS Marketing Specialists—and efforts to strengthen and improve these evaluations will continue. An additional significant undertaking to improve the program has been evaluation by outside specialists of our cotton, wheat, and soybean programs. These evaluations have been performed by teams of outstanding commodity and public relations figures who have studied intensively every aspect of these important programs both in Washington and in most of the countries in which these projects are active. These objective evaluations by outside groups have been helpful. Other such studies will be made as appropriate."

#### FEEDER CATTLE SHIPMENTS TO ITALY CONTINUING

About 850 head of U. S. feeder cattle were shipped from Corpus Christi, Texas, last month to Genoa, Italy. This shipment brings to about 6,000 head the total number of animals exported to Italy since the joint industry-government beef export promotion was begun early last year.

The shipment from Corpus Christi is the first to originate from Texas ports. Previous shipments have been from Eastern Seaboard ports. The current series of shipments of U.S. feeder cattle to Italy mark the first sales of live cattle to Europe in more than 50 years.





James Denis Payne, newly appointed Director of the Brussels European office, Tobacco Associates, Inc. Mr. Payne is a native of the U.K. and has had many years of industry experience in Europe and the U.S. with American flue-cured tobacco.

#### FOOD EXHIBITS PLANNED AT U.S. TRADE CENTERS

The U. S. Processed Foods Exhibit, to be held in the U. S. Trade Center in Tokyo, March 8-19, will feature a wide range of grocery products consigned for this overseas market development activity by 42 American food processors and manufacturers and their overseas agents.

Included in the Tokyo exhibit will be a special display of processed and specialty foods developed by the Grocery Manufacturers of America, Inc., which is cooperating with the Department's Foreign Agricultural Service in sponsorship of the exhibit.

This is the first time that a U. S. industry-wide food exhibit has been staged in the Far East.

Products consigned to the Tokyo exhibit include canned, dried, frozen, glasspackaged and drypackaged products furnished by food companies headquartered in 13 states.

Paul S. Willis, President of the Grocery Manufacturers of America, Inc., New York, will head the U. S. food trade delegation that will represent the U. S. food industry at the Tokyo exhibit.

The second FAS-GMA exhibit, to be held in the U. S. Trade Center in London, February 23-March 5, 1965, is to feature U. S. fresh and processed fruits, tree nuts, vegetables, and related products such as soups, pies, and other specialty and convenience foods which principally contain fruits and vegetables.

Thirty-nine U. S. processors, producers, and distributors have consigned their products for display and promotion at the London exhibit. A special feature will be a 300-square foot display of fresh fruits, vegetables, and fresh-cut flowers to be provided by producers and merchandisers in California, Arizona, Indiana, and Florida.

Three shipments of these products, spaced equally within the two-week exhibit period to assure product freshness in the displays, is being arranged by a prominent U. S. international air carrier.

## PREDICTING SALES PROMOTIONS

(Condensation of an article appearing in the January 8, 1965 issue of Printers' Ink.)

"The major problems facing the sales-promotion executive this year are accountability and coordination. More and more, management is going to demand that the sales-promotion manager account for his promotions and expenditures in terms of specific objectives and results. Also, he will seek to coordinate several sales-promotion techniques into one campaign, backed by the complete advertising and marketing resources of his company.

"We naturally seek measurements to guide us through the maze of promotional alternatives from which we might choose to back a particular product," said Bruce Gilbert, manager of the promotion section, Coca-Cola, when he spoke at a workshop hosted by the Sales Promotion Executives Assn.

"However rough the measurements be, we welcome them. Because, when they're intelligently interpreted, we know they can multiply our promotional effectiveness."

"A similar opinion was voiced by Milton J. Margolis, vice-president, Kenyon & Eckhardt, New York, whose agency has drawn up a form for before-and-after evaluation of promotions. 'The growth of sales promotion and the fact that it's still being used blindly in some quarters points out the need for effective measurement of this powerful marketing weapon,' he said. 'By properly appraising promotions, we can build a central library of concrete ex-

perience that can serve as a valuable profit-expectancy guide when management reviews future field-promotion plans.'

"The importance of research in the selecting and planning of premium programs was underscored by John Burgoyne, Jr., president Burgoyne Index, at the Premium Advertising Assn. Conference. 'The day when you could select a premium on what amounts to educated guessing is fast drawing to a close, if it hasn't already done so,' he stated. 'I think the day is not too far distant when premium testing in the marketplace will be the accepted rule rather than the still too-frequent exception.'

"While most sales-promotion men agree on the need for evaluation, only 27 percent of those surveyed in a recent SPEA study reported their companies attempted any measurement of sales promotion's effectiveness. But, company attitudes are changing and this percentage will be much higher by the close of 1965.

"Management should make it a policy to require evaluations of sales-promotion programs, Margolis recommended. He suggested a standard form be drawn up by companies to facilitate the prompt and efficient reporting of results.

"Coordinating several promotional techniques is a necessary step in achieving maximum results. By combining several elements, such as a consumer contest, dealer premiums, point-of-purchase material, package design and direct mail, an advertiser can run a more effective campaign. But, to coordinate wisely, an executive must have information as to the effectiveness of various promotional approaches in moving his product..."



## 1964 FARM EXPORTS SET NEW HIGH RECORD

U. S. farm exports in calendar year 1964 were at a record breaking \$6.2 billion, compared to \$5.6 billion the previous year. Nearly all of the increased exports were sold for dollars, contributing significantly to narrowing the U. S. balance of payments gap.

According to USDA's Economic Research Service, commercial export sales for dollars totaled an estimated \$4.6 billion in 1964 compared with \$4 billion a year earlier, and \$2 billion when the market development program started nine years ago. ERS estimates 1964 exports under Government financed programs at \$1.6 billion, about the same as in 1963.

Record-high wheat and flour exports accounted for a large share of the rise in farm exports. Both the Soviet Union and Western Europe had poor wheat crops in 1963 and turned to other suppliers, including the United States. Most of the increase in U. S. wheat shipments occurred during the first half of 1964. Improved 1964 harvests in the Soviet Union and Western Europe reduced the need for wheat in the latter half of the year.

## SOYBEAN COUNCIL CHANGES

The international operations office of the Soybean Council at Rome is being closed, and the program will be directed from the new office in Arlington, Virginia. An office in Brussels, Belgium, will be responsible for mar-

ket development activities in the United Kingdom, Belgium, Luxembourg, the Netherlands, Sweden, Denmark, Norway, France, Italy, and Greece. The work in these countries will be headed by Jack Ward, who has been area supervisor for Northern Europe. Rex Wood, who has been the Council's director for the U. K. in London, will assist him. Both will be located in Brussels.

The Hamburg, Germany, office under Dr. Karl W. Fangauf, will be responsible for the program in Germany, Austria, and Switzerland. Market development work in Spain and Portugal will be under Director Gonzalo Rivera in Madrid.

## STUDY OF ATTACHE SERVICE

Stanley Andrews, well-known in international organization affairs and former Administrator of the Office of Foreign Agricultural Relations, and Joe Phillips, Director, FAS Personnel Division, will be visiting nine overseas posts (Brussels, London, Belgrade, Cairo, Lagos, New Delhi, Manila, Tokyo, Mexico City) January 23-March 16, in connection with a FAS study of the U. S. Agricultural Attache Service. All facets of the Service in Washington and the field will be surveyed, including recruitment, training, assignment, and supervision. Attention will be given to market development and the attache responsibility with respect to cooperator projects and activities overseas.

